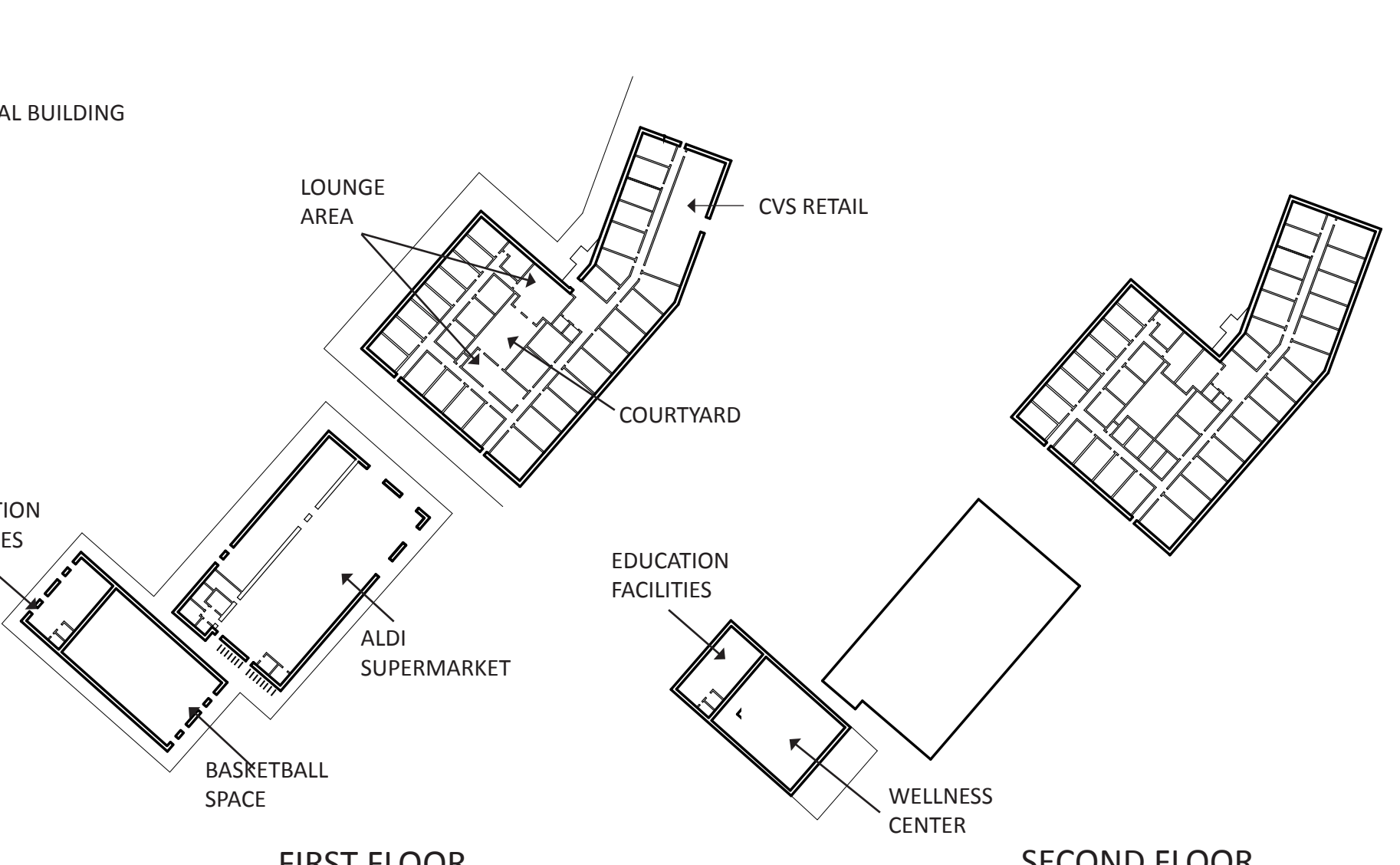




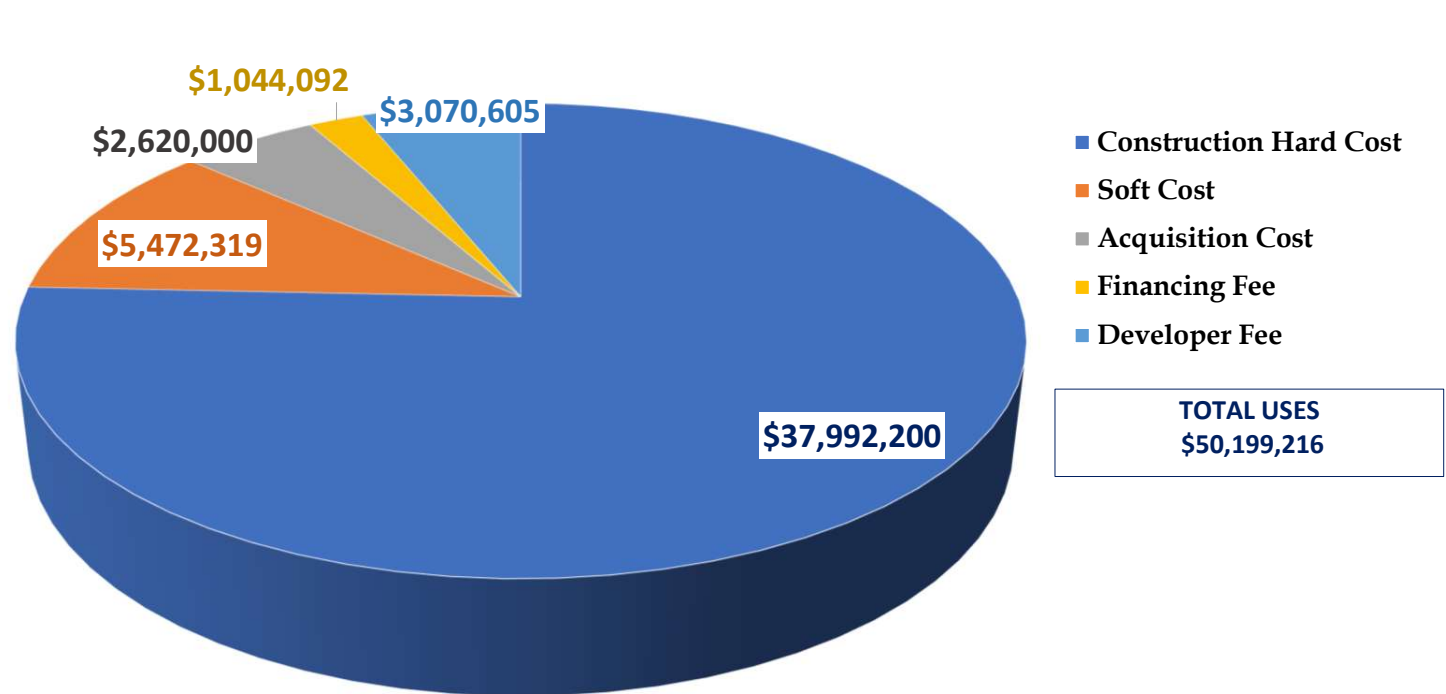
MIXED-USE RESIDENTIAL BUILDING

PROPOSED SITE PLAN

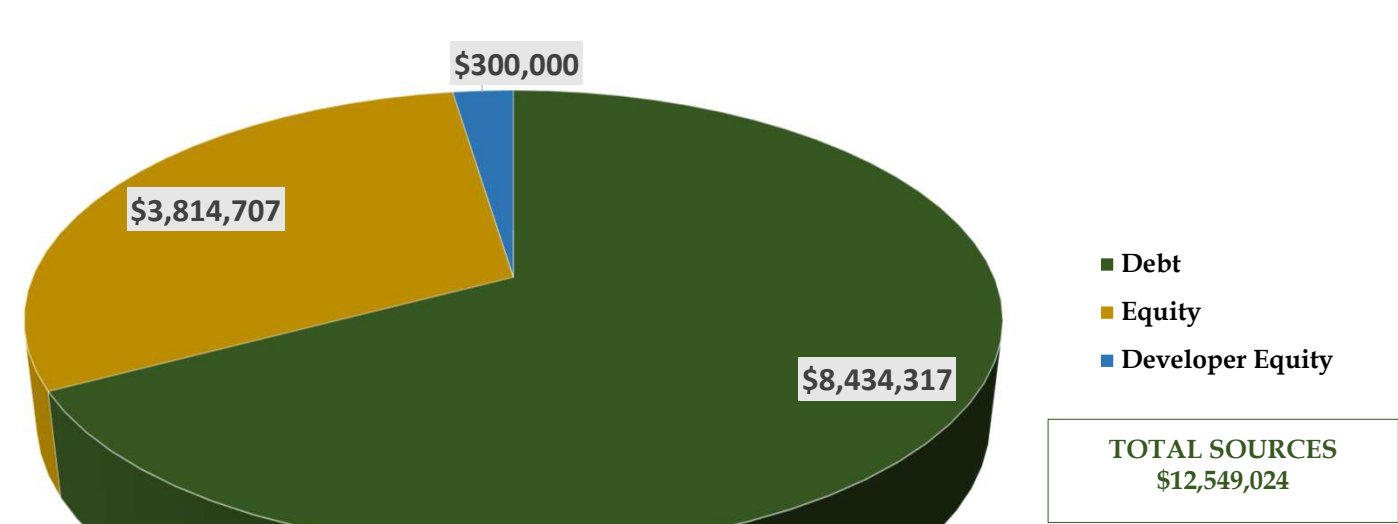
TYPICAL RESIDENTIAL FLOOR PLAN



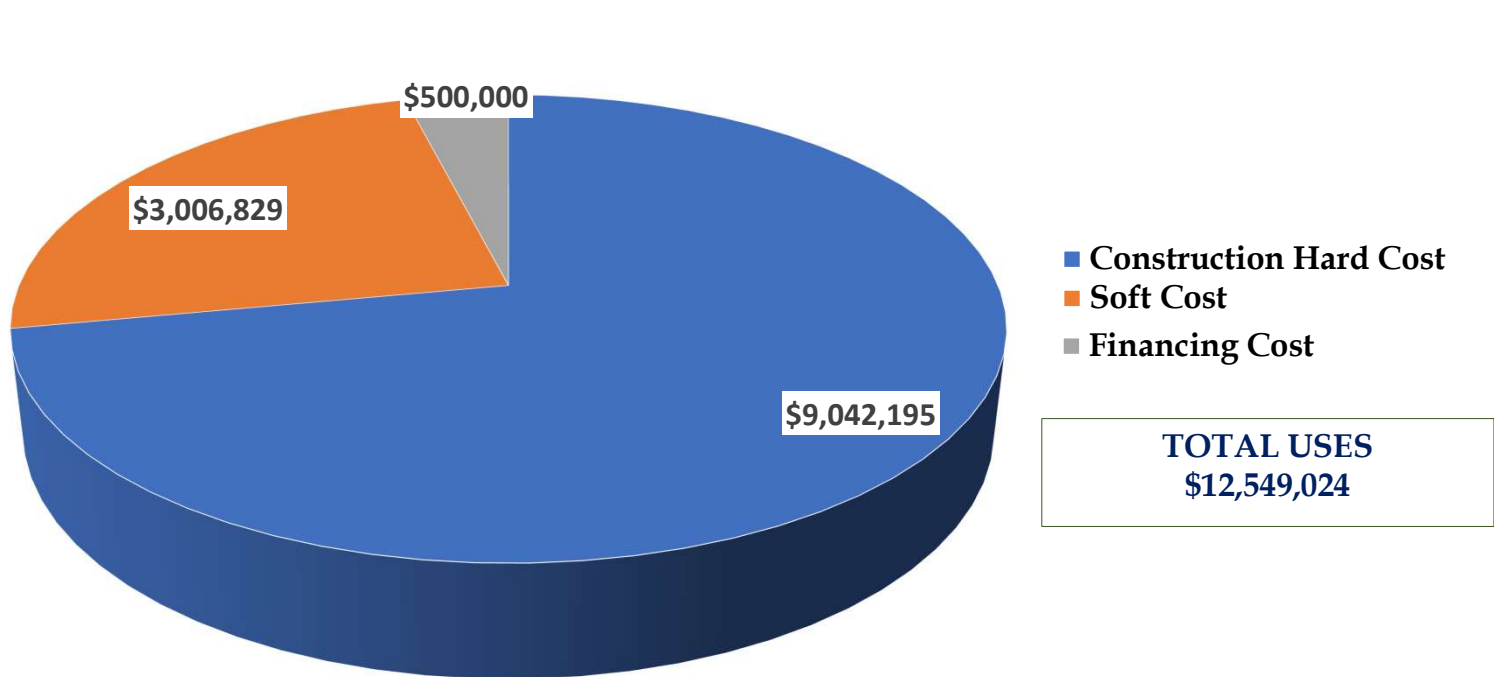
USE OF FUNDS - PHASE 1



SOURCE OF FUNDS - PHASE 2



USE OF FUNDS - PHASE 2



## INVESTMENT RETURNS - PHASE 1

(Mix-Use & Mix-Income) (4% LIHTC)

WATERFALL STRUCTURE				RETURN PROJECTION			
Cash Flow From Operations Split	GP Cash Flow	LP Cash Flow		GP Equity	LP Equity		
Up To Preferred Return	5.00%	85.00%		5%	95%		
Above Preferred Return	15.00%	85.00%					
Sale Proceeds Split	GP Share	LP Share					
Cash Flow Split	15.0%	85.0%					
				Project-Level IRR	9.77%		
				Project-Level EM	9.36%		
				Project-Level Avg. C-o-C	16.7%		
				LP IRR	8.7%		
				LP EM	8.6%		
				LP Avg. C-o-C	13.7%		
				GP IRR	23.0%		
				GP EM	15.5%		
				GP Avg. C-o-C	15.5%		
				GP Promote	\$1,793,512		
				LTV	85%		
				Loan Amount	\$38,616,779		
				Interest Rate	2.50%		
				Amortization	480 Months		
				Monthly Payment	\$127,350		
				Ending Balance @ Sale	\$28,387,200		
				Total Project Cost	\$45,431,504		
				Going-In Cap Rate	5.20%		
				Annual NOI Growth	0.00%		
				Sale @ EOY	Year 15		
				Exit Cap Rate	5.10%		

CASH-ON-CASH RETURN															
Year	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Days in Year	365	365	365	365	365	365	365	365	365	365	365	365	365	365	365
Preferred Cash-on-Cash Check	0.7%	2.2%	3.5%	4.8%	6.1%	16.8%	18.0%	18.5%	20.8%	22.4%	23.6%	25.0%	26.4%	27.8%	31.8%
Total Project Level Cash-on-Cash	0.7%	2.3%	3.6%	4.9%	6.2%	16.8%	18.2%	18.5%	20.9%	22.5%	23.8%	25.1%	26.5%	27.9%	31.9%
Total LP Cash-on-Cash	0.7%	2.3%	3.6%	4.9%	6.2%	16.8%	18.2%	18.5%	20.9%	22.5%	23.8%	25.1%	26.5%	27.9%	31.9%
Total GP Cash-on-Cash	0.7%	2.3%	3.6%	4.9%	6.2%	16.8%	18.2%	18.5%	20.9%	22.5%	23.8%	25.1%	26.5%	27.9%	31.9%

## INVESTMENT RETURNS - PHASE 2

(10- Year Qualified Opportunity Zone Investment Funds)

WATERFALL STRUCTURE				RETURN PROJECTION			
Cash Flow From Operations Split		GP Cash Flow	LP Cash Flow		GP Equity		
Up To Preferred Return		0.00%	100.00%		LP Equity	5%	95%
Above Preferred Return		15.00%	85.00%		Preferred Cash-on-Cash Return		
Sale Proceeds Split		GP Share	LP Share			7.0%	
Cash Flow Split		15.0%	85.0%				
				Project-Level IRR	23.29%		
				Project-Level EM	4.15X		
				Project-Level Avg. C-o-C	18.44%		
				LP IRR	23.49%	GP IRR	22.8%
				LP EM	4.0x	GP EM	38.1x
				LP Avg. C-o-C	19.80%	GP Avg. C-o-C	\$12,988
						GP Promote	\$6,435,943
				LTV	65%		
				Loan Amount	\$9,205,837		
				Interest Rate	4.00%		
				Amortization	360 Months		
				Monthly Payment	\$43,952		
				Ending Balance @ Sale	\$6,560,230		
				Total Project Cost	\$14,162,827		
				Going-In Cap Rate	7.80%		
				Annual NOI Growth	0.00%		
				Sale @ EOY	Year 10		
				Exit Cap Rate	6.20%		

CASH-ON-CASH RETURN															
Year	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Days in Year	365	366	365	365	365	366	365	365	365	366	365	365	365	366	365
Preferred Cash-on-Cash Check	16.74%	17.13%	17.87%	18.58%	19.31%	20.07%	20.84%	21.64%	22.47%	23.31%					
Total Project Level Cash-on-Cash	15.9%	16.9%	17.0%	17.7%	18.3%	19.3%	20.6%	21.3%	22.1%	22.8%					
Total LP Cash-on-Cash	16.7%	17.1%	17.9%	18.6%	19.3%	20.1%	20.8%	21.6%	22.5%	23.3%					
Total GP Cash-on-Cash	202.8%	276.7%	288.6%	300.1%	311.9%	324.1%	336.6%	349.5%	362.8%	376.5%					

## INVESTMENT RETURNS - PHASE 2

(Conventional Fair Market Investment)

WATERFALL STRUCTURE				RETURN PROJECTION			
Cash Flow From Operations Split		GP Cash Flow	LP Cash Flow			GP Equity	5%
Up To Preferred Return		0.00%	100.00%			LP Equity	95%
Above Preferred Return		15.00%	85.00%			Preferred Cash-on-Cash Return 7.0%	
Sale Proceeds Split		GP Share	LP Share				
Cash Flow Split		15.0%	85.0%				
				Project-Level IRR		11.9%	
				Project-Level EM		2.70X	
				Project-Level Avg. C-o-C		5.70%	
				LP IRR		11.6%	
				LP EM		2.6x	
				LP Avg. C-o-C		6.00%	
				GP IRR		21.3%	
				GP EM		8.4x	
				GP Avg. C-o-C		13.40%	
				GP Promote		\$669,583	
				LTV		65%	
				Loan Amount		\$9,205,837	
				Interest Rate		4.00%	
				Amortization		360 Months	
				Monthly Payment		\$43,950	
				Ending Balance @ Sale		\$7,252,723	
Total Project Cost		\$14,162,827					
Going-In Cap Rate		7.80%					
Annual NOI Growth		0.00%					
Sale @ EOY		Year 10					
Exit Cap Rate		6.20%					

CASH-ON-CASH RETURN															
Year	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Days in Year	365	365	366	365	365	366	365	365	365	366	365	365	365	366	365
Preferred Cash-on-Cash Check	3.37%	3.73%	4.41%	4.98%	5.48%	6.00%	7.22%	7.79%	8.22%	8.82%					
Total Project Level Cash-on-Cash	3.2%	3.5%	4.2%	4.7%	5.2%	5.7%	6.9%	7.4%	7.8%	8.4%					
Total LP Cash-on-Cash	3.4%	3.7%	4.4%	5.0%	5.5%	6.0%	7.2%	7.8%	8.2%	8.8%					
Total GP Cash-on-Cash	6.4%	7.1%	8.4%	9.5%	10.4%	11.4%	13.7%	14.8%	15.6%	16.8%					

WRED

Spring 2021

# The Pleasant Gates

A mix-use/mix-income Development in Seat Pleasant, Maryland.

### Mohsen Teimouri

The Pleasant Gates is a mixed-use, mixed-income development in the city of Seat Pleasant, Maryland. It is in walking proximity to WMATA Blue Line Metro and is highly accessible via Interstate 1-495. The site benefits from a sustainably proposed Master Plan and recently experienced local and regional market expansion. The pleasant gates local economy has shown significant and stable growth trends since 2015.

Due to the Recent Transit-Oriented-Developments policies and growth of the local estate market, the Pleasant Gates is an opportunity to champion the Seat Pleasant community development for decades to come. The Pleasant Gates deeply respects the local communities' space demand for amenities. It delivers an ALDI, anchored with a local food hall to serve the community's grocery and food hall. In a community heritage revitalizing approach, The Pleasant Gates

offers 18,000 SF Chuck Craig's Basketball Academy and Wellness Center to deliver a regional-scale real estate brand for Seat Pleasant, MD.

To overcome the financial feasibility of the new developments in low-income communities, phase 1 looks forward to minimizing the investment costs and risks, by apply the maximum positive debt leverage, using tax-exempt bonds issuance and the Commercial

Mortgage-Backed Securities (CMBS) lending market. In phase 2, the Pleasant Gates proposes a flexible funding structure. The project utilizes the fair market funding structure in the primary approach, with 0.65 Loan to Value Debt sizing as the phase of the direct funding approach. The project proposes low-risk, high-return Qualified Opportunity Zone Investment (QOZ) funds to encourage investing in the Pleasant Gate's development opportunity.

### The Pleasant Gates

MT DEVELOPERS

